Concordia University

Board of Governors

Concordia Employee Benefits Committee

Meeting of May 31st 1978

Attendance: Mr. H. Hemens, Chairman, Mr. E.A. Lemieux, Mr. A. Duff, Prof. A. Dickie, Prof. C. Goldman, Prof. G. Martin, Mr. C. Waters, Miss M.D. Johnson, Messrs. B. Morency and R. Brochu of William M. Mercer Ltd.

Minutes of April 19 1978

Subject to elimination of the last sentence in the third paragraph headed " Professor Gracovetsky's Request to halt contributions " it was proposed by Professor Dickie seconded by Professor Goldman and unanimously carried that the minutes of April 19 1978 be adopted as circulated.

Minutes of May 3 1978

Subject to rewriting the third paragraph under the heading " Investment Strategy " as follows:

> " Professor Goldman therefore proposed that no further purchases of equities be made for the fund and that any pick-up in the stock market be used to sell all the stock in the portfolio of the pension fund; the motion was seconded by Mr. Gore. The motion was discussed briefly and defeated when put to a vote. "

it was proposed by Prof. Goldman seconded by Prof. Martin and unanimously carried that the minutes of May 3 1978 be adopted as circulated.

Pension Plan Document

The final draft of the Plan Document was discussed briefly. It was agreed that the substance of the contents reflected the terms of the plan as determined by the University. Mr. Hemens commented, however, that there were certain errors in the drafting of the document.

It was proposed by Prof. Dickie seconded by Professor Goldman that the Plan Document be submitted to the University legal counsel with instructions that he review the document with respect to wording and drafting only since the substance of the document has met approval of the Committee; his report on the document would be subsequently circulated to the Committee.

(.../2)

After the Chairman assured Professor Dickie that he would be given a copy of the report despite the expiry of his term of office on May 31st 1978, the motion was unanimously adopted.

Mr. Morency pointed out that there was a section in the document regarding reciprocal transfer agreements which had been left blank because the concept had not been dealt with.

Mr. Hemens added that this subject had been on the agenda on several occasions but that the Committee had never reached it due to time constraints.

It was agreed that a meeting be held on June 21st to deal with Reciprocal Transfer Agreements.

Ex-Gratia Pensions

A memo from the Secretary (Appendix "A") was circulated to members of the Committee. It was discussed at length and the following proposals made:

1 Proposed by Mr. Lemieux and seconded by Professor Dickie that the Committee recommend to the Personnel Committee of the Board of Governors that a minimum pension of $10.00 monthly per year of service be granted to all those retiring subsequent to June 1st 1974 who were not included in the last review held in 1976.

Mr. Brochu commented that such an arrangement was not extravagant and was quite common in industry.

the proposal was unanimously adopted.

2 Proposed by Professor Goldman seconded by Professor Dickie that the Committee recommend to the Personnel Committee of the Board of Governors that an increase of one half of the increase in the Consumer Price Index from June 1st 1975 or Date of Retirement, whichever is later to January 1st 1978 be granted to all retirees; the minimum increase to be $10.00 monthly and the maximum $150.00 monthly.

Mr. Lemieux commented that the individuals covered in the first proposal were also covered in the second giving them a double increase. Professor Dickie explained that the first proposal if passed would bring these individuals to the same relative position as those who had been similarly treated at the last review and that, therefore, any cost of living should be in addition.

After discussion the proposal was unanimously adopted.

(.../3)

It was agreed that the decision as to the effective date of payment would be determined by the Board; June 1st 1978 was cited as being a desirable date to commence payments.

Investments

Mr. Waters advised the Committee members that McLean Budden had sold 51% of its shares to Metropolitan Trust. The rationale of the move was to allow McLean Budden to get a foothold in Toronto and to provide Metropolitan Trust with an investment offiliate.

The pros and cons of holding equities in the pension fund were discussed at some length.

Professor Goldman proposed that no further purchases in equities be made for the fund and that any pick-up in the stock market be used to sell all the stock in the portfolio of the pension fund. The proposal was seconded by Mr. Lemieux.

After discussion the proposal was put to a vote and was defeated.

The meeting terminated at 2.30 p.m.

Colin Waters

Colin Waters, Secretary